

**DEPARTMENT OF INSURANCE****Legal Division, Corporate Affairs Bureau**

45 Fremont Street, 24th Floor  
San Francisco, CA 94105

**NOTICE**

**Date:** June 16, 2017

**To:** All Licensees and Other Interested Persons

**Subject:** Bond of Cargo Shipper's Agent

The Department of Justice at the request of the California Department of Insurance has adopted section 50.23 to Title 11 of the Code of Regulations Article 19 promulgating a revised bond of cargo shipper's agent effective upon filing with the California Secretary of State on May 18, 2017. This bond form is effective for immediate use.

A copy of the Notice of Filing and Printing Only, Notice of Publication of Regulations Submission Form 400 and bond form are with this notice, posted on the Department of Insurance Website.

If you have any question regarding this bond form, please contact Jill Jacobi at (415) 538-4426 or at [Jill.Jacobi@insurance.ca.gov](mailto:Jill.Jacobi@insurance.ca.gov).

**State of California  
Office of Administrative Law**

In re:  
Department of Justice

Regulatory Action:

Title 11, California Code of Regulations

Adopt sections:

Amend sections: 50.23

Repeal sections:

NOTICE OF FILING AND PRINTING ONLY

Government Code Section 11343.8

OAL Matter Number: 2017-0424-20

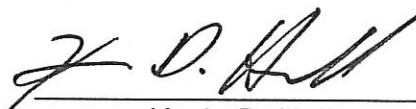
OAL Matter Type: File and Print Only (FP)

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This action submitted by the Department of Justice is a request to file and print the amended surety bond form of the Department of Insurance, "Bond of Cargo Shipper's Agent" pursuant to Government Code section 11343.8.

OAL filed this regulation(s) or order(s) of repeal with the Secretary of State, and will publish the regulation(s) or order(s) of repeal in the California Code of Regulations.

Date: May 18, 2017



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Kevin D. Hull  
Senior Attorney

For: Debra M. Cornez  
Director

Original: Xavier Becerra

Copy: Karen W. Yiu

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 40 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER <b>Z-</b>	REGULATORY ACTION NUMBER <b>2017-0424-20FP</b>	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	

**ENDORSED - FILED**  
in the office of the Secretary of State  
of the State of California

**MAY 18 2017**  
1:45 PM

2017 APR 24 P 3: 05

OFFICE OF  
ADMINISTRATIVE LAW

AGENCY WITH RULEMAKING AUTHORITY  
Department of Justice, for the Department of Insurance

AGENCY FILE NUMBER (if any)

**A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)**

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE

**B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)**

1a. SUBJECT OF REGULATION(S) Department of Insurance bond form	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
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2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)

SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT
	AMEND Article 19, section 50.23 Bond of Cargo Shipper's Agent
	REPEAL
TITLE(S) 11, Div. 1, Chapter 2	

3. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §511346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input checked="" type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input checked="" type="checkbox"/> Other (Specify) Revision of surety bond form	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input checked="" type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> \$100 Changes Without Regulatory Effect	<input type="checkbox"/> Effective other (Specify)
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6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
<input type="checkbox"/> Other (Specify)		

7. CONTACT PERSON Karen W. Yiu	TELEPHONE NUMBER 510-879-1245	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional)
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8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE <i>Karen W. Yiu</i>	DATE April 20, 2017
TYPED NAME AND TITLE OF SIGNATORY Karen W. Yiu, Deputy Attorney General	

For use by Office of Administrative Law (OAL) only

**ENDORSED APPROVED**

**MAY 18 2017**

Office of Administrative Law

State of California

Department of Insurance

**Bond of Cargo Shipper's Agent**

Form 447-70 (Rev 4/2017)

California Code of Regulations Title 11 section 50.23

Producer Licensing Bureau  
P.O. Box 1139  
Sacramento, CA 95817-1139  
Information (800) 967-9331  
www.insurance.ca.gov

State of California  
Department of Insurance  
**BOND OF CARGO SHIPPER'S AGENT**  
(California Insurance Code sections 1662-1665)

BOND No. \_\_\_\_\_  
PREMIUM: \$ \_\_\_\_\_

KNOW ALL PERSONS BY THESE PRESENTS:

THAT \_\_\_\_\_,  
(PRINCIPAL)  
as PRINCIPAL, an applicant for or holder of a California cargo shipper's agent's license, whose  
address for service is \_\_\_\_\_  
Address City  
\_\_\_\_\_, and  
State Zip Code

\_\_\_\_\_, an admitted surety insurer, as Surety  
(SURETY)  
hereon, whose address for service is \_\_\_\_\_  
Address City  
\_\_\_\_\_, are held and firmly bound to the People of  
State Zip Code

the State of California in the penal sum of TEN THOUSAND DOLLARS (\$10,000) for payment  
of which, we bind ourselves, our heirs, executors, successors and assigns, jointly and severally,  
firmly by these presents.

WHEREAS, the provisions of sections 1757.2 and 1662 of the California Insurance Code  
require that the Principal file a bond in the sum of ten thousand dollars (\$10,000.00), this bond is  
executed and tendered in accordance with sections 1663 and 1665.

NOW THEREFORE, the condition of this obligation is that if the Principal is granted, or  
during the term thereof holds, a cargo shipper's agent's license issued by the Insurance  
Commissioner of the State of California, the Principal shall account to any person requesting  
insurance, for moneys or premiums collected by the Principal or the Principal's employees, for

insurance other than life; if he shall so account as required by law, then this obligation shall be null and void; otherwise to remain in full force and effect.

This bond shall take effect on \_\_\_\_\_, 20\_\_\_\_, but not prior to the date of its execution. If no date is hereinabove written, it shall take effect on the later of the two dates of execution set forth below.

PROVIDED HOWEVER, this bond is issued subject to the following express conditions:

1. This bond shall remain in force and effect until the Surety is released from further liability by the Commissioner or until the bond is canceled by the Surety. The Surety may cancel the bond and be released of further liability hereunder by delivering 30 days' notice to the Commissioner. Such cancellation shall not affect any liability incurred or accrued prior to the termination of the 30-day period.

2. This bond is executed by the Surety to comply with and the bond shall be subject to the provisions of Article 5 (commencing with section 1662) and Article 15.5 (commencing with section 1757.1) of Chapter 5 of Part 2 of Division 1 of the California Insurance Code, and to the provisions of Chapter 2 (commencing with section 995.010) of Title 14 of Part 2 of the California Code of Civil Procedure.

3. The aggregate liability of the Surety hereunder on all claims whatsoever shall not exceed the penal sum of this bond in any event.

By executing this bond, Principal and Surety agree any action on this bond shall be instituted and prosecuted in the counties of the State of California, with service by U.S. mail as prescribed in the California Code of Civil Procedure sections 417.10 and 417.20 and this bond shall be governed by the laws of the State of California.

IN WITNESS WHEREOF the Principal has subscribed his/her/its true name on the date and at the place entered opposite his/her/its signature, and the Surety has subscribed its full and correct name and affixed its corporate seal on the date and at the place shown opposite its signature.

\_\_\_\_\_, 20\_\_\_\_  
Principal Date

\_\_\_\_\_  
Printed Name Place where executed

\_\_\_\_\_  
Capacity (e.g., Principal, President, Attorney-in-Fact)

\_\_\_\_\_  
Surety (Seal)

By \_\_\_\_\_, 20\_\_\_\_  
Position, title or capacity Date

By \_\_\_\_\_ Place where executed \_\_\_\_\_, 20\_\_\_\_  
Position, title or capacity Date

\_\_\_\_\_  
Place where executed  
This bond is executed under an unrevoked appointment or power of attorney.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at \_\_\_\_\_  
on \_\_\_\_\_ (Date) (City and State)

\_\_\_\_\_  
Signature of Attorney-In-Fact for Surety Printed or Typed Name of Attorney-In-Fact for Surety

**IT IS NECESSARY THAT A STATUTORY REPLACEMENT BOND FEE BE SUBMITTED, UNLESS BOND IS FILED WITH AN ORIGINAL APPLICATION. See Insurance Code section 1757.2 and The Insurance Commissioner's current fee bulletin for the fee amount.**

**Note:** For instructions as to execution by principal and surety and for form of entity acknowledgement and for form of acknowledgement by individual agent, see California Code of Regulations, title 11, section 50.20.